



General Assembly

February Session, 2004

Amendment

LCO No. 2840

SB0010602840SD0

Offered by:

SEN. PRAGUE, 19th Dist.
SEN. LOONEY, 11th Dist.
SEN. PETERS, 20th Dist.

SEN. CRISCO, 17th Dist.
SEN. CIOTTO, 9th Dist.
SEN. HANDLEY, 4th Dist.

To: Senate Bill No. 106

File No. 47

Cal. No. 94

**"AN ACT CONCERNING THE AVAILABILITY OF HEALTH PLANS
WITH FLEXIBLE DESIGNS."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 38a-495c of the general statutes is repealed and
4 the following is substituted in lieu thereof (*Effective October 1, 2004*):

5 (a) [Any] Each insurance company, fraternal benefit society, hospital
6 service corporation, medical service corporation, health care center or
7 [any] other entity in this state, on or after January 1, 1994, [which] that
8 delivers, issues for delivery, continues or renews any Medicare
9 supplement insurance policies or certificates shall base the premium
10 rates charged on a community rate. Such rate shall not be based on
11 age, gender, previous claims history or the medical condition of the

12 person covered by such policy or certificate. Except as provided in
13 subsection (c) of this section, coverage shall not be denied on the basis
14 of age, gender, previous claim history or the medical condition of the
15 person covered by such policy or certificate, except for plans "H" to "J",
16 inclusive, as provided in section 38a-495b. In plans "H" to "J", inclusive,
17 previous claims history and the medical condition of the applicant may
18 be used in determining rates and granting coverage under Medicare
19 supplement policies and certificates.

20 (b) Nothing in this section shall prohibit an insurance company,
21 fraternal benefit society, hospital service corporation, medical service
22 corporation, health care center or any other entity in this state issuing
23 Medicare supplement insurance policies or certificates from using its
24 usual and customary underwriting procedures, provided no such
25 company, society, corporation, center or other entity shall issue a
26 Medicare supplement policy or certificate based on the age, gender,
27 previous claims history or the medical condition of the applicant,
28 except that the previous claims history and the medical condition of
29 the applicant may be used in determining rates and granting coverage
30 under Medicare supplement policies and certificates for plans "H" to
31 "J", inclusive.

32 (c) Nothing in this section shall prohibit an insurance company,
33 fraternal benefit society, hospital service corporation, medical service
34 corporation, health care center or any other entity in this state when
35 granting coverage under a Medicare supplement policy or certificate
36 from excluding benefits for losses incurred within six months from the
37 effective date of coverage based on a preexisting condition, in
38 accordance with section 38a-495a and the regulations adopted
39 pursuant to section 38a-495a.

40 (d) [Every] Each insurance company, fraternal benefit society,
41 hospital service corporation, medical service corporation, health care
42 center or other entity [in the state issuing Medicare supplement
43 policies or certificates for plan "A", "B" or "C", or any combination
44 thereof,] that issues a Medicare supplement policy or certificate in this

45 state to persons eligible for Medicare by reason of age [,] shall offer for
46 sale the same such policies or certificates to persons eligible for
47 Medicare by reason of disability.

48 (e) [Every] Each insurance company, fraternal benefit society,
49 hospital service corporation, medical service corporation, health care
50 center or other entity in the state issuing Medicare supplement policies
51 or certificates shall make all necessary arrangements with the Medicare
52 Part B carrier and all Medicare Part A intermediaries to allow for the
53 forwarding, to the issuing entity, of all Medicare claims containing the
54 name of the entity issuing a Medicare supplement policy or certificate
55 and the identification number of an insured. The entity issuing the
56 Medicare supplement policy or certificate shall process all benefits
57 available to an insured from a Medicare claim so forwarded, without
58 requiring any additional action on the part of the insured.

59 (f) The provisions of this section shall apply to all Medicare
60 supplement policies or certificates issued on and after January 1, 1994.
61 For Medicare supplement policies or certificates issued prior to
62 January 1, 1994, the provisions of this section shall apply as of the first
63 rating period commencing on or after January 1, 1994, but no later than
64 January 1, 1995.

65 (g) The Insurance Commissioner [shall] may adopt [such]
66 regulations, [as he deems necessary,] in accordance with chapter 54, to
67 [carry out the purposes of] implement this section."

This act shall take effect as follows:	
Section 1	October 1, 2004